

HOUSE JOINT MEMORIAL 23

49TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2010

INTRODUCED BY

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A JOINT MEMORIAL

REQUESTING THAT THE RESIDENTS OF NEW MEXICO HAVE BANK ACCOUNTS WITH SMALL, COMMUNITY INSTITUTIONS RATHER THAN LARGE NATIONAL BANKS.

WHEREAS, our nation's financial system is in urgent need of reform; and

WHEREAS, despite efforts by congress and the current administration to increase bank lending, including a seven-hundred-billion-dollar (\$700,000,000,000) bank bailout, the nation's four largest banks have collectively cut their loans to businesses by more than one hundred billion dollars (\$100,000,000,000) over the last six months; and

WHEREAS, Bank of America and Citigroup each received forty-five billion dollars (\$45,000,000,000) of bailout money, and Wells Fargo and JP Morgan Chase each received twenty-five

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1 billion dollars (\$25,000,000,000); and

2 WHEREAS, New Mexico needs a strong and fair regulatory
3 system that has the resources and authority necessary to
4 prevent the collapse of the financial sector caused by Wall
5 street and the large banks; and

6 WHEREAS, statutes that affect state-chartered banks are
7 enacted by the state legislature, which is more attuned to
8 local needs and conditions than congress; and

9 WHEREAS, community banks are more accountable to the
10 residents of New Mexico than are large national banks; and

11 WHEREAS, community banks typically make more conservative
12 investments and are inclined to make smarter loans with a
13 better chance of payback; and

14 WHEREAS, community banks earn greater risk-adjusted yields
15 than large banks, suggesting that they are the better choice
16 for small businesses and individuals; and

17 WHEREAS, community banks are more closely connected to the
18 people and businesses near them; and

19 WHEREAS, community banks invest in communities and
20 businesses to create good jobs and strong neighborhoods; and

21 WHEREAS, community banks work to ensure that the banking
22 system helps people stay in their homes; and

23 WHEREAS, community banks are stable and reliable and take
24 a people-oriented approach to banking; and

25 WHEREAS, the residents of New Mexico value personal

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1 service, good jobs and strong communities;

2 NOW, THEREFORE, BE IT RESOLVED BY THE LEGISLATURE OF THE
3 STATE OF NEW MEXICO that the residents and state government of
4 New Mexico be urged to move their money from large national
5 banks to small community banks in order to support responsible
6 lending practices and the state's economy; and

7 BE IT FURTHER RESOLVED that copies of this memorial be
8 transmitted to the state treasurer, the secretary of finance
9 and administration, the secretary of state and the state
10 investment council.

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